## EHNE & NAGEL

## **International Logistics & Transportation Management**

February 23, 2000

Mr. Vernon A. Williams, Secretary Surface Transportation Board Office of the Secretary Case Control Unit Attn: STB Ex Parte No. 582 1925 K Street, N. W. Washington, DC 20423-0001

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Kuehne & Nagel International Ltd. 5935 Airport Rd., 10th & 11th Floor Mississauga, Ontario L4V 1X3 Tel: (905) 673-3981 Fax: (905) 673-0006



Dear Sir:

Kuehne & Nagel Intl. Ltd. is a International Logistics Company that is a major user of rai service in the US and Canada. The purpose of this letter is to comment on the issues to be discused on March 8th, 2000 in Ex Parte 582.

We encourage the Surface Transportation Board to focus on whether the proposed CN-BNSF combination is good for shippers, not on potential downstream effects. The CN-BNSF combination should be judged on its merits and if other carriers propose mergers, then these cases ought to be evaluated on their merits.

The timing of the proposed CN-BNSF combination is not the central issue for our company. Our concern is service. Recent mergers have failed on service, not because of timing. Accordingly, the Surface Transportation Board should focus on ensuring that CN-BNSF combination, and any other future mergers, will deliver service.

The Surface Transportation Board has a comprehensive process to evaluate railroad transactions and protect the public interest. It should evaluate railroad transactions and protect the public interest. It should fairly evaluate the CN-BNSF combination according to that process. Do not let other railroads use the Surface Transportation process to protect themselves and not shippers.

Sincerely.

Kuehne & Nagel Intl. Ltd.

Executive Vice President, Sea Freight

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